Testimony of Marilyn Watkins, Economic Opportunity Institute, in opposition to SB 6578 and SSB 6087, before the Senate Commerce and Labor Committee, February 1, 2016.

Good afternoon. I’m Marilyn Watkins of the Economic Opportunity Institute, speaking in opposition to SB 6578 and SSB 6087.

Washington needs to raise labor standards so that people who work hard in necessary jobs can live in dignity. The minimum wage and sick leave standards proposed in SSB 6087 simply do not go far enough to protect public health and family economic security. State standards must be a floor, not a ceiling, and local jurisdictions should be able to continue to pilot new standards as our economy evolves.

One million workers in Washington do not get a single day of sick leave now, including many in restaurants, retail, personal care, and other occupations with direct public contact. A standard of only 3-5 days would be only a modest improvement, forcing too many people to continue to go to work sick. Norovirus, which is often spread by ill food service workers, is contagious for up to 7 days, according to the CDC. So is the flu. Nationally, the average worker with sick leave uses 4 days annually – but the average includes some who use none, and others who use higher amounts. We found in interviews with low wage Seattle workers, that 25% took no paid sick days the previous year, and 17% took 6 or more.

Washington’s working families also need a higher minimum wage than $12 in 2020, as proposed in SSB 6087. Even today, a single, childless adult working full-time at $12 cannot meet basic expenses in most parts of the state. The vast majority of low wage workers in Washington are adults, many with families to support. Over half of workers making under $13.50 are over age 30, and 3 in 10 have children at home. Across the U.S., the lowest wage workers are also least likely to get sick leave, compounding economic insecurity: 8 in 10 workers in the lowest 10% of wages and 2 in 3 in the lowest 25% of wages don’t get any.

Workers with paid sick leave by wage level

Children from low income families would continue to suffer the most if workplace standards are removed or set too low. Their parents are least likely to have sick leave voluntarily provided by employers. When parents have inadequate sick leave, kids are left sick at school, older kids have to skip school to stay home with sick siblings, and children don’t get adequate health care – especially those with chronic conditions.

Because cities have led the way, we have data on impacts from paid sick leave laws. San Francisco’s law has been in effect since 2007, Seattle’s since 2012. Over 20 cities and 4 U.S. states (California, Oregon, Massachusetts, and Connecticut) have paid sick leave laws in place. Most of these have much higher standards than proposed here.

Studies of sick leave laws to date show:

- Covered economies are equaling or out-performing nearby communities in job and business growth – including in Seattle and San Francisco where most workers receive 7 to 9 days annually.
- Sick leave laws have had small to no impact on business costs, hiring, or location decisions.
- A majority of business owners support the laws.
- Workers and their families are benefitting with more access to paid leave and better ability to care for their own and their families’ health needs.

For years studies have found that businesses providing sick leave have higher morale and productivity, less absenteeism, lower rates of turnover, and increased firm profits. A CDC study found that workers with paid sick leave have 28% fewer workplace accidents.

Studies that take into account all of the data on differing minimum wage levels show that higher minimum wages also do not impact the number of jobs. Higher minimum wages do reduce turnover and increase incomes, helping local economies prosper.

Washington workers need to be raised up, not kept down. When working families prosper, our economy prospers and all our communities benefit.

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7 Christine Siegwarth Meyer, et al, "Work-Family Benefits: Which Ones Maximize Profits?" *Journal of Managerial Issues*, vol. XIII, No. 1, Spring 2001: 28-44. Specific estimates of the decline in workers voluntarily leaving their jobs because of access to paid sick leave range between 3.6 and 6.4 percentage points; at the mid-point, that translates into one less quite per year
